REMARKS

Reconsideration and allowance of the above-referenced application are respectfully requested.

Claims 1, 27, 53, and 79-85 are under consideration.

There is no indication that claim 82 is rejected.

Claim Rejections - 35 USC § 102

Claims 1, 79-80, and 83-84 were rejected under 35 U.S.C. 102(e) as allegedly being anticipated by Chiang et al. (US 6,192,081, hereinafter "Chiang").

Applicant respectfully traverses the rejections.

Applicant teaches, in one embodiment, a system and method for scaling (that is, altering the value of) coding biases depending upon the precision, in bits, of the data being coded, or the "coding precision" (see the Specification at page 10, lines 7-9). The scaled biases are applied to values corresponding to the different coding modes, and a coding mode is selected based on these values.

Consider exemplary claim 1, which recites in relevant part:

"…automatically scaling the coding mode biases as a function of the number of bits of coding precision…"

Chiang does not disclose applying biases to values used for selecting an optimal coding mode, let alone scaling such biases (Applicant notes that there is no occurrence of either of the terms "bias" or "coding precision" in Chiang). Rather, Chiang discloses estimating the total number of bits needed to code each macroblock for each coding mode (col. 8, lines 15-21 and col. 9, 35-48). No biases, scaled or otherwise, are applied. Accordingly, Applicant submits that claims 1, 79-80, and 83-84 are allowable.

Claims 1, 27, 53, 79-80, and 83-84 were rejected under 35 U.S.C. 102(e) as allegedly being anticipated by Kodama et al. (US 5,963,673, hereinafter "Kodama").

Applicant respectfully traverses the rejection.

Kodama does not disclose or suggest applying biases to values used for selecting an optimal coding mode, let alone scaling such biases (Applicant notes that there is no occurrence of either of the terms "bias" or "coding precision" in Kodama). Rather, Kodama discloses actually encoding a macroblock using different coding modes, including determining how many bits are required to represent this macroblock for each mode, and then selecting the coding mode corresponding to the minimum value (col. 7, lines 12-36). No biases, scaled or otherwise, are applied. Accordingly, Applicant submits that claims 1, 27, 53, 79-80, and 83-84 are allowable.

Claim Rejections - 35 USC § 103

Claims 80-81 and 85 were rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over Kodama.

Applicant respectfully traverses the rejections.

As discussed above, Kodama does not teach or suggest applying biases to values used for selecting an optimal coding mode, let alone scaling such biases. Accordingly, Applicant submits that claims 80-81 and 85 are allowable.

Please apply any charges or credits to deposit account 06-1050.

Respectfully submitted,

Date: January 14, 2004

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